

# PENNSYLVANIA'S HEALTH CARE AND ECONOMY ARE AT RISK

We can't have healthy, vibrant communities without strong, stable hospitals. But chronic underfunding of Pennsylvanians' health care and looming federal cuts put care at risk.

## Pennsylvania Hospitals are Strained

The status quo is not sustainable and will force some hospitals to reduce services or close.



**40%+** are not on track for long-term stability



**Almost 30%** operating at a loss



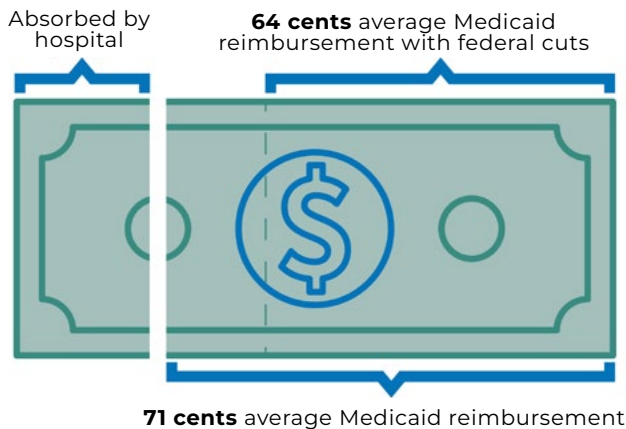
**At-risk** hospitals growing more distressed

FY 2025 data

## Payments Already Don't Cover Costs

Medicaid provides health insurance for nearly **1 in 4** Pennsylvanians, paying hospitals and providers for the care they provide enrollees. For years, Pennsylvania's Medicaid program has reimbursed well below what it costs to provide care, leaving hospitals to absorb the difference and putting services at risk. Upcoming federal cuts will widen this gap even more.

For each dollar Pa. hospitals spend providing care to Medicaid and uninsured patients:



**Hospital Expenses Rising**  
**7.4%** year-over-year increase in hospital expenses  
**2x** the rate of inflation

## Federal Cuts Will Worsen These Challenges

As a result of upcoming federal cuts, in Pennsylvania:



**\$4.5B** direct cut to hospital payments over next decade



**310K+** people losing Medicaid coverage



**39–66%** increase in uncompensated care\*

\*As percent of net patient revenue

**We need policies that keep hospitals and services open so that Pennsylvania can have healthy, vibrant, and economically competitive communities.**